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## PATENT

Attorney Docket No. YMEDIA.006A

Date: May 26, 2000

Page 1

JC836 U.S. PTO  
05/26/00

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WASHINGTON, D.C. 20231  
ATTENTION: BOX PATENT APPLICATION

JC815 U.S. PTO  
09/579789

05/26/00

Sir:

Transmitted herewith for filing is the patent application of

Inventors: 1) Mitchell Reifel; 2) Gregory Urban and 3) Ian Olsen

For: **METHODS AND SYSTEMS FOR MANAGING THE DISTRIBUTION OF IMAGE CAPTURE  
DEVICES, IMAGES, AND PRINTS**

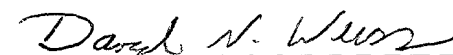
Enclosed are:

- (X) Thirteen (13) sheets of drawings.
- (X) Recordation form cover sheet with 2-page assignment.
- (X) A verified statement to establish small entity status under 37 CFR 1.9 and 37 CFR 1.27.
- (X) A power of attorney form and copy of assignment.
- (X) Initial signed declaration by inventors.
- (X) Return prepaid postcard.

## CLAIMS AS FILED

FOR	NUMBER FILED	NUMBER EXTRA	RATE	FEE
Basic Fee			\$345	\$345
Total Claims	44 - 20 =	24 ×	\$9	\$216
Independent Claims	5 - 3 =	2 ×	\$39	\$-78-
If application contains any multiple dependent claims(s), then add			\$130	\$-0-
<b>TOTAL FILING FEE</b>		\$639		

- (X) A check in the amount of \$639.00 to cover the filing fee is enclosed.
- (X) A check in the amount of \$40.00 to cover the assignment recording fee.
- (X) The Commissioner is hereby authorized to charge any additional fees which may be required, now or in the future, or credit any overpayment to Account No. 11-1410. A duplicate copy of this sheet is enclosed.
- (X) Please use Customer No. 20,995 for the correspondence address.



David N. Weiss  
Registration No. 41,371  
Attorney of Record

Applicant or Patentee: Reifel, et al.  
Application or Patent No.: Unknown  
Filed or Issued: Herewith  
For: **METHODS AND SYSTEMS FOR MANAGING THE DISTRIBUTION OF IMAGE CAPTURE  
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Attorney's Docket No.: YMEDIA.006A  
Page 1

**VERIFIED STATEMENT (DECLARATION) CLAIMING SMALL-ENTITY STATUS**

I, the undersigned, do hereby declare that:

[X] I am an official of the small business concern empowered to act on behalf of the concern identified below:

NAME OF CONCERN: YMedia Corporation

ADDRESS OF CONCERN: 23172 Plaza Pointe Drive, Suite 285, Laguna Hills, California 92653

I further declare that the above-identified small business concern qualifies as a small business concern as defined in 13 CFR 121.12, and reproduced in 37 CFR 1.9(d), for purposes of paying reduced fees to the United States Patent and Trademark Office, in that the number of employees of the concern, including those of its affiliates, does not exceed 500 persons. For purposes of this statement, (1) the number of employees of the business concern is the average over the previous fiscal year of the concern of the persons employed on a full-time, part-time or temporary basis during each of the pay periods of the fiscal year, and (2) concerns are affiliates of each other when either, directly or indirectly, one concern controls or has the power to control the other, or a third party or parties controls or has the power to control both. I further declare that rights under contract or law have been conveyed to and remain with the small business concern identified above with regard to the invention described in the patent or application identified above.

The individual, concern or organization identified above has not assigned, granted, conveyed or licensed, and is under no obligation under contract or law to assign, grant, convey or license, any rights in the invention to any person who would not qualify as an independent inventor under 37 CFR 1.9(c) if that person had made the invention, or to any concern which would not qualify as a small business concern under 37 CFR 1.9(d) or a nonprofit organization under 37 CFR 1.9(e).

If the rights held by the above-identified individual, concern or organization are not exclusive, each individual, concern or organization having rights in the invention are identified below. Each such individual, concern or organization must file separate verified statements averring to their status as small entities.

**\*NOTE: Separate verified statements are required from each named person, concern or organization having rights to the invention averring to their status as small entities. (37 CFR 1.27).**

I acknowledge the duty to file, in this application or patent, notification of any change in status resulting in loss of entitlement to small-entity status prior to paying, or at the time of paying, the earliest of the issue fee or any maintenance fee due after the date on which status as a small entity is no longer appropriate. (37 CFR 1.28(b)).

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application, any patent issuing thereon, or any patent to which this verified statement is directed.

NAME OF PERSON SIGNING: Ian Olsen

TITLE OF PERSON (if not an owner or individual): President & CEO

ADDRESS OF PERSON SIGNING: 23172 Plaza Pointe Drive, Suite 285, Laguna Hills, California 92653

SIGNATURE: 

DATE: 5.24.00

**METHODS AND SYSTEMS FOR MANAGING THE DISTRIBUTION OF  
IMAGE CAPTURE DEVICES, IMAGES, AND PRINTS**

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Background of the Invention

Field of the Invention

The present invention is generally directed to imaging devices and image reproduction and in particular to methods and systems for distributing image capture devices, images, and prints.

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Description of the Related Art

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Picture taking is an integral part of modern societies. People take photographs to record family events, news events, work related images, and the like. In particular, the advent of digital cameras and scanners have further sparked the use and importance of photography, as images can now be taken without the expense of film, and photographs can be widely distributed via the Internet or e-mail.

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However, using conventional methods of camera sales and distribution, where consumers are faced with a large up-front purchase price, many consumers cannot afford their desired camera, such as a high performance, feature-laden camera. Further, consumer's are often hesitant to invest in a relatively expensive digital camera, as they fear that the camera may quickly become obsolete. Another obstacle for consumers is the high price of prints, which may dissuade consumers from purchasing a new camera, as the cost of prints may consume funds that would otherwise be available for the purchase of a camera.

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Conventional methods of camera distribution and ordering of reprints have also inadequately served photofinishers and print houses. Consumer's typically have little loyalty to a particular print house, and may simply send their prints to be developed at whichever print house has the lowest price at the moment. This makes it difficult for print houses to predict the amount of expected orders from month to month, and print houses are forced to compete by constantly adjusting print prices, with service suffering as a result.

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Camera manufacturers are also ill served by conventional methods of camera distribution. Most camera manufactures are not involved in the photofinishing process, and hence are deprived from participating in the recurring profits associated with photofinishing, such as profits resulting from prints, enlargements, digital retouching, and the like.

#### Summary of the Invention

In one embodiment, the present invention advantageously provides cameras, such as digital cameras or film cameras, to consumers for free or at a discounted cost. In exchange, in one embodiment, the consumer makes a commitment that a certain number of image reproduction or prints will be purchased by the consumer and/or by others. Thus, consumers benefit, as their initial financial outlay for a camera is reduced or eliminated. Image reproduction companies that provide prints or other image reproductions also benefit, as they can expect that a certain number of image reproductions will be ordered for each camera provided, thereby ensuring a more predictable cash flow.

In addition, in one embodiment, an image-locking feature allows images to be selectively “locked” or encrypted before being transferred from the camera. This prevents the consumer from printing full resolution hard copy versions of the images, or having unauthorized print houses make such prints, unless the images are unlocked or decrypted. However, the consumer may be allowed to view the images on a camera display, or thumbnail versions of the images on a terminal or the like. The camera provider or related entity holds the key used to unlock the images. In one embodiment, the consumer uploads the encrypted images to a server associated with the camera provider or related entity. The images may be uploaded directly from the camera, or via a terminal networked to the server. The images are then decrypted and the consumer or others may then order copies of the images, ensuring that the camera provider receives income from print orders of images taken with the camera.

One aspect of the present invention enables camera manufacturers to participate in the revenue stream associated with print orders and the like. A camera manufacturer provides a discount or other benefit to a camera distributor, which in turn distributes the

cameras to consumers who contract to purchase a certain amount of prints. In exchange for the discount provided by the camera manufacturer, the camera distributor ensures that a portion of the proceeds resulting from the purchase of prints by consumers is provided to the camera manufacturer.

Yet another aspect of the present invention advantageously also provides prints of images taken with the camera for free or at a reduced cost. In exchange, the consumer agrees to have advertisements, including notices, offers or coupons, accompany the prints. Advertisers thereby also benefit, as they are ensured that there is a great likelihood that their advertisements will be read. The advertisements and coupons may be appropriately selected based on a given consumer's profile, including the consumer's demographic profile, camera usage patterns, and purchase patterns. The profile information may be provided by or collected from the consumer. All or portions of the profile information may be stored in the camera. The advertisements may be, by way of example, tear-offs attached to the print. In addition or alternatively, the advertisements may be printed over the image or in a border area around the image.

In addition, friends and family members benefit from the present invention, as using a networked terminal, they can view and/or order reproduction of pictures taken by the consumer. Optionally, the consumer may designate who is authorized to view pictures taken by the consumer. The consumer may receive credit, discounts, and/or rebates based on orders for the consumer's pictures by others.

#### Brief Description of the Drawings

Figure 1 illustrates an exemplary distribution system, including Web components, for implementing a system for distributing image capture devices, images, and prints in accordance with one embodiment of the invention, and illustrates typical user components for accessing the system;

Figure 2 illustrates an exemplary method of registering to receive a camera;

Figure 3 illustrates an exemplary method of transferring and viewing images and providing image reproductions;

Figure 4 illustrates in greater detail the order processing activity illustrated in Figure 3;

Figure 5 illustrates an exemplary method of renting a camera;

Figure 6 illustrates an exemplary method of providing advertising and coupons;

Figure 7A-B illustrate an exemplary registration form;

Figure 8 illustrates an exemplary status and order Web page;

5        Figure 9 illustrates an exemplary viewfinder display, including an image, account status and order information;

Figure 10 illustrates an exemplary print with an attached coupon and an attached advertisement;

Figure 11 illustrates an exemplary print with advertising in a border area; and

10       Figure 12 illustrates an exemplary image with an advertisement emblazoned thereon.

#### Detailed Description of the Preferred Embodiment

Throughout the following description, the term “Web site” is used to refer to a user-accessible network site that implements the basic World Wide Web standards for the coding and transmission of hypertextual documents. These standards currently include  
15       HTML (the Hypertext Markup Language) and HTTP (the Hypertext Transfer Protocol).

It should be understood that the term “site” is not intended to imply a single geographic location, as a Web or other network site can, for example, include multiple linked geographically distributed computer systems. Furthermore, while the following  
20       description includes a description of an embodiment utilizing the Internet and related protocols, other networks, such as networked interactive televisions, set-top boxes, including those for digital cable and satellites, phones, kiosks, and corresponding protocols may be used as well. In the figures, words and phrases are underlined to indicate a hyperlink to a document or Web page related to the underlined word or phrase.  
25       In addition, unless otherwise indicated, the functions described herein are preferably performed by executable code running on one or more general-purpose computers or servers.

The term “camera” as used herein includes, but is not limited to, digital cameras, film-based cameras, and video cameras. A digital camera is generally a camera that  
30       captures, stores and/or transmits images digitally rather than recording them on film. Once a picture has been taken, it may be transferred from the camera to a computer

system or printer via a port or via a memory card. Many, though not all, digital cameras come equipped with a flat panel display. The camera display may be used as a viewfinder, as well as to view stored images and to provide instructions to the camera operator. Typically, images taken with a digital camera may be manipulated using widely available image manipulation or photo editing programs. Optionally, digital cameras may include features such as time and date stamping of images.

The term "image reproduction" as used herein, includes, but is not limited to, hard copy prints on photographic paper, images reproduced on a computer printer, digital images stored in memory or displayed, images reproduced on clothing and/or images reproduced on other items, such as calendars or dishware.

The present invention relates to methods and system for distributing image capture devices, such as cameras, and images, including digital images and prints. One embodiment of the present invention advantageously provides cameras, such as digital cameras or film cameras, to consumers for free or at a reduced or discounted cost. An image print house/developer, order taker, or other entity may provide the camera. In exchange, in one embodiment, the consumer makes a commitment that a certain number of image reproduction or prints with are to be purchased by the consumer and/or by others. Thus, consumers benefit, as their initial financial outlay for a camera is reduced or eliminated. In addition, as will be described in detail below, friends and family members benefit, as they can view and/or order reproduction of pictures taken by the consumer using a networked terminal. Image reproduction companies that provide prints or other image reproductions also benefit, as they can expect that a certain number of image reproductions will ordered for each camera provided, thereby ensuring a more predictable cash flow.

In one embodiment, a consumer is provided with a digital camera at a discounted price in exchange for a commitment to purchase a certain number of prints or otherwise spend a certain amount of money with the camera provider or a designated entity, where the discount may range up to 100% of the camera price, so that the camera is "free." The commitment may include a commitment to purchase the prints over a predetermined amount of time. The discount may be increased in exchange for a commitment to buy an increased number of prints. Thus, for example, if a large enough

commitment is made, the camera may be given to the consumer with no up-front payment.

In addition, the consumer may be offered different levels of cameras corresponding to different levels of commitments. Thus, for example, if the consumer agrees to buy a small number of prints, the consumer is provided with a "low-end" camera, such as a digital camera with less than 1 million pixels. If the consumer agrees to buy a greater number of prints, the consumer may be offered a camera with a higher level of performance, having, for example, greater than 1 million pixels.

By way of example, in exchange for receiving a digital camera having 750,000 pixels for a payment of \$50, the consumer may commit to purchase 600 prints of a selected size, for example 3" x 5", over a period of 2 years. The cost of the prints of the selected size may be fixed over the period of the commitment. For example, the cost of each 3" x 5" print may be fixed at 30¢ a print for the first 600 prints ordered over the 2-year commitment period. If the consumer agrees to purchase 900 prints within 2 years, the consumer may be offered the same camera for \$25 and/or the option of a digital camera having 1.8 million pixels for \$50. In addition, the consumer may be offered discounts on the cost of the prints if the consumer commits to a greater number of prints, or if the consumer's purchases exceeds the committed amount.

If the consumer orders more expensive reproductions of an image, the consumer may receive more credit towards the consumer's commitment than if the consumer ordered the least or less expensive reproduction of the image. When visiting a Web site associated with the print house, the consumer may be presented with a menu of available products on which images can be imprinted, and the associated credit toward the consumer's commitment.

Thus, if the consumer orders larger size prints, which typically cost more, the consumer may be provided with more than one credit for each larger print. For example, each order of a 5" x 7" print, at 45¢ a print, may count as 1.5 prints toward the commitment to order 600 prints. If the consumer orders a cup costing \$7.00 imprinted with a copy of an image, the order may count as 10 prints towards the commitment to order 600 prints.



In one embodiment, the consumer can specify which print house or vendor should be used to provide the prints. Optionally, the print house selection may be restricted to those listed by the camera provider or a related entity. A discount for prints may be offered when the consumer selects certain designated or eligible print houses.

5 In one embodiment, the consumer may elect, by activating an appropriate Web page link or the like, to have the print order taker select the print house which will result in the lowest cost per print. Further, for an additional fee, the consumer may optionally select a print house not listed by the camera provider. The additional fee may be a flat fee for an entire order and/or a fee per print ordered.

10 The consumer may view his or her account information by accessing such information from the print house's, camera provider's, and/or related entity's Web site. As will be discussed later in greater detail, in one embodiment the account information may be presented on the camera viewfinder, as well as on a personal computer display. The account information may include the number and type of reproductions previously  
15 ordered, the date and cost of the orders, the number of reproductions that the consumer needs to order to fulfill the consumer's commitment, and the date, if any, by which the commitment is to be fulfilled. If the consumer fails to meet the commitment by the designated date, the consumer may be billed or charged for all or a portion of the actual retail or wholesale cost of the camera or may be charged a fixed termination fee. The  
20 amount of the charge may be specified in the commitment agreement entered into by the consumer.

In one embodiment, a portion or percentage of the cost of reproduction purchases made by the consumer may be used to offset the amount charged for failure to meet his or her commitment. Thus, for example, if at the end of the commitment period  
25 the consumer has only ordered 300 prints, rather than the committed to 600 prints, 10% of the value of the ordered 300 prints may be used to reduce the amount charged to the consumer for the cost of the camera.

Once the cost of the camera has been recovered, the print house or camera provider may optionally then enable camera to be freely used via a downloaded  
30 activation code or key, with no restriction on the viewing or reproduction of images taken using the camera. However, in one embodiment, the camera is not so enabled,

making the camera relatively useless, thereby further providing an incentive to the consumer to meet his or her commitment. Instead, the consumer may “recharge” the camera by agreeing to a new commitment, which may include a different number of committed to orders than the original commitment. In the recharge process, the consumer connects the camera, directly or indirectly, to the appropriate server and downloads a new activation code. In addition, the consumer may be offered a new camera in exchange for a new commitment.

If the provided camera is a digital camera, the consumer may upload the digital images to a server or other system associated with an order taker, the camera provider and/or related print house/image reproducer. Of course, the camera provider and print house may be the same entity. To simplify the following discussion, it will be assumed that the images are uploaded to the print house. The images may be uploaded by first transferring images from the camera to a computer, and from the computer to the print house via the Internet or the like. In one embodiment, images may be directly transferred from the camera to the print house if the camera is networkable via a built-in wired or wireless modem or other interface, such as a serial port, a USB port, or a wireless interface, such as a Bluetooth or a wireless DSL interface, via a coupled cellular phone or via a removable memory module used to store images. The consumer may then view the images on a terminal, such a computer or PDA, connected to the print house site and may order prints or other reproductions of the desired images.

Each image may optionally have one or more of the following items of information associated with the image.

1. Date/time/location the picture was taken
2. ISO equivalency, Aperture settings, Shutter speed
3. User editable data: rating, classification, image title
4. Multimedia enhancement: video clip, audio clip

The date, time, and location information may be later printed in association with the image, such as on the front or back of a print of the image, to help the consumer recall when and where the picture was taken. A built in calendar and clock, provided in many cameras, may automatically provide the date and time. In one embodiment, location information may be entered using a hard or “soft” keyboard or data entry device, where the soft keyboard may be a touch sensitive screen on which a keyboard is

displayed, located or attached to the camera. The information can also be later added to the images after the images are transferred to a computer. In addition, a user may similarly add picture titles, age suitability ratings, and classification information (such as vacation, work, etc.), as well as video and/or audio clips.

5           The ISO equivalency, aperture settings, and shutter speed used to take a given picture may also be associated with the corresponding picture, so that prints, including color balancing and the like, of the picture may be optimized based on this information.

10           Optionally, others may view and order prints of the images as well, for example, by visiting a Web site to which the images are posted. The viewing and ordering images may be restricted by requiring, by way of example, the entry of a password or other code. Consumers may designate some images as private, and thus not viewable or orderable without the consumer's access code. Other images may be designated as shared, where users having another code, termed a "shared" code, can view and order the shared images. Still other images may be designated as public, so that anyone  
15           accessing the Web site to which the images are posted can view and order the images.

20           Thus, for example, a consumer can provide the appropriate shared code to relatives so that the relatives may view and order shared images of the consumer's family. Optionally, the consumer may receive credit towards the consumer's commitment for prints ordered by others, advantageously making it easier and less expensive for the consumer to meet the commitment, while allowing family to efficiently order reproductions. Similarly, the consumer may obtain credit for purchases made of the consumer's images designated as "public." This provides incentives for the consumer to post images that are likely to be popular. In one embodiment, the consumer may be granted a commission, rebate, or a discount on future orders if the  
25           number of prints ordered by the consumer and/or the number of prints of the consumer's images ordered by others exceeds the consumer's committed to number.

30           The consumer may also individually rate the images as suitable for the general population, suitable for those over the age of 16, or as images suitable for adults. Viewers visiting the Web site to which the images are posted may first be asked to select a rating level, wherein the viewer will not be presented with images having a

more mature rating than the selected rating level, or will only be presented with images with the selected rating level.

In one embodiment, certain measures may be taken to ensure that some or all of the reproductions of images made with the provided camera are purchased from the camera provider or a print house associated with the camera provider. For example, if the provided camera is a digital camera, viewing of images taken with the camera may be restricted so that the images may only be viewed using the camera's built-in viewfinder display. The images may be "locked," via encryption or scrambling by the camera's internal processor, before being transmitted out of the camera's port or stored in a removable memory module, so that the images may not be viewed on another display unless the images are de-scrambled or decrypted by the print house, camera provider and/or order taker. Standard encryption techniques, such as public key encryption, wherein the camera encrypts images using a public key that can only be decrypted using a private key in the possession of the print house or order taker, may be used.

In another embodiment, the camera may be inhibited from transmitting images altogether until an appropriate code is downloaded to the camera via a camera port by the print house or a related entity. The code may be downloaded, by way of example, over the Internet via a computer system.

In one embodiment, rather than completely preventing a consumer from viewing or printing images on a display external to the camera, the consumer may be allowed to view and/or print thumbnails of images taken with the camera on a terminal, computer, television, or the like. A thumbnail is a miniature display of an image. Several thumbnails may optionally be viewed together on a display. Generally, thumbnails are of fairly low resolution, for example 352 x 288 pixels (CIF format), or 88 x 72 pixels (QCIF format), which is satisfactory for the purpose of deciding which images are to be printed or ordered, and yet ordinarily would not provide a satisfactory printed version of the image. The consumer or others may use the thumbnail images to select images for which reproductions are to be ordered. In one embodiment, the consumer may e-mail the thumbnails to others or post the thumbnail images on a Web site. The thumbnail images are associated with a link to the print house's Web site, such that, for example,

when a recipient of an e-mailed image clicks on the image, a browser or the like is launched, and the recipient is presented with an order form which may be used to order reproductions of the image.

In addition to the increased sales of image prints or reproductions, the embedded link puts the print house, order taker, and/or camera provider in contact with likely potential customers who are interested in photography and are comfortable with conducting transactions over the Internet. The recipient may be offered a free or discounted camera in exchange for a commitment similar to that discussed above. The offer may be presented on the linked Web site, via e-mail, by mail or using other conventional techniques. The recipient may provide the corresponding e-mail address and/or physical address during the purchase process. In one embodiment, consumers whose e-mails or images result in new commitments by new customers may be provided with a bonus in the form of, by way of example, a reduction in the committed number of prints they must purchase, free prints, and/or discounts on future image reproductions or other items.

Optionally, once a print of an image has been purchased, the image may then be “unlocked” or decrypted by the print house and optionally be viewed with full resolution. The decryption key may be downloaded from a server associated with the print house or may be e-mailed to the consumer. The full resolution image, as well as the thumbnail image, may be stored on a server associated with the print house or on the consumer’s computer. Thus, a consumer may be allowed to, for example, print out additional copies of an image using the consumer’s printer once a reproduction of that print has been purchased from the print house. In addition, the print house may optionally elect to allow the consumer to freely view and print images once the consumer has fulfilled her or his commitment, and ordered the requisite number of prints.

To further ensure that the consumer meets his or her commitment to order a certain number of reproductions, the consumer may be required to have a credit card and/or to provide authorization to charge the credit card or other financial instrument associated with the consumer a selected amount should the consumer fail to fulfill the commitment, before providing the camera. Alternatively, the consumer may optionally

prepay the cost of the committed to reproductions. Thus, for example, if the consumer has agreed to purchase 500 prints within a year at a cost of 30¢ a print, the consumer can prepay \$150, and so does not have to be concerned about meeting any order commitments.

5 While the above examples assume that the free or discounted cameras are provided directly to end-user consumers, in another embodiment, the cameras are provided to intermediaries or businesses, who in turn supply the cameras to end users. For example, an intermediary may acquire a large quantity of cameras from the print house in exchange for committing that a certain number of prints will be ordered. The intermediary may be offered a portion of the sales of the printed ordered for images or a portions of the sales of prints over and above the committed to quantity. The intermediary then provides end-users with the cameras at a certain cost or for free. The intermediary may require that the end-users agree to order a certain number of prints in exchange for receiving a discount on the camera. The number of cameras provided to end-users multiplied by the committed number of prints to be ordered may exceed the quantity of prints that the intermediary committed to. Thus, the intermediary is advantageously responsible for distributing cameras to end users in exchange for a share of the sales.

Further, in one embodiment, rather than having the end users order reproductions directly from the print house, the end users place the orders with the intermediary that in turn places the order to the print house. This allows the intermediary to accurately track the number of reproductions being ordered while freeing the print house from managing the order taking process.

In another embodiment, the camera manufacturer may provide cameras to the print house or other intermediary at a discount. In exchange, for a percentage or selected amount for each print ordered by the end-users or for other consideration resulting from or related to the purchase of prints of images taken with the camera, such as enlargements, photo albums, retouching of images, or the like. Thus, the camera manufacturer can advantageously share both the potential profits as well as the risks associated with the revenue generation derived from image reproduction. Because of

the discount provided by the camera manufacturer, the intermediary can provide the cameras to consumers at a lower cost.

In addition, to help subsidize the cost of the camera and/or prints to consumers and to increase the income to the image reproduction companies camera provider, and/or other related entities, advertising, such as promotional offers or discount coupons, may be provided with prints or other forms of image reproduction delivered to consumers. The advertising may be printed on the image reproduction, such as on the front or back of prints or on a border around the image reproduction, or may be otherwise associated or attached on the image reproduction. For example, in one embodiment, an advertisement or coupon may be provided as a tear-off or otherwise separable attachment to a hard copy print. If the image reproduction is printed on an item of clothing, such as a tee shirt, or on a cup, a corresponding advertisement may likewise be printed on the clothing or cup. For electronic images viewable on a networked display, the advertisements or coupons may include a link to the Web site of the sponsor of the advertisement or coupon. The advertisement may be animated to further call viewers' attention to the advertisement.

Advertisements may also be downloaded to the camera when the camera is linked to the appropriate Web site, such as the order placement Web site. This allows advertisements to be displayed and updated on the camera flat panel viewfinder or on images printed out via a printer coupled to the camera or via a computer to which the images were transferred.

Thus, for example, a consumer or other user may be provided free or discounted prints if they agree to receive such advertising or coupons. Optionally, the consumer may be charged shipping and handling fees in addition to the charge, if any, for the prints. In one embodiment, a user may elect to have all prints provided with advertising or coupons in exchange for a corresponding discount, where the discount may range up to 100%, or may instead select which reproductions may have associated advertising and which will not. Optionally, multiple advertisements may be provided on or attached to a print. The consumer's and/or other user's discount may vary in accordance with how many advertisements they agree to have attached to or otherwise accompany the print. In addition, for advertisements printed overlaying the image, the

image discount may vary in accordance with the advertisement size, such as a font size, which the consumer may agree to. Thus, the larger the advertisement emblazoned on a print, the larger the discount.

In one embodiment, advertisements or electronic coupons may be downloaded to a camera when the camera is connected to the Internet or to a computer connected to the Internet. The advertisements may be displayed on a camera display, such as an LCD viewfinder, and/or may be attached, emblazoned, or otherwise embedded in images as they are transferred from the camera to other systems. In this manner, when the images are later viewed or reproduced, the advertisements or coupons will likewise be viewed or reproduced. Thus, the advertisements or coupons may be widely distributed to recipients of copies of the image, through hard copies of the image, via e-mailed copies of the image, via copies of the image posted on Web sites, or otherwise electronically transmitted copies of the image.

In one embodiment, rather than selling the camera, the camera may be leased to a customer. Optionally, the camera may be leased for a limited term, such as 3 or 6 months. At the end of the lease, the customer may be required to return the camera or may be allowed to buy the camera for a fee. Such lease arrangements may be particularly attractive to consumers who need a camera for a limited period, such as for a 3 month summer vacation, or who may want to quickly upgrade to a better or newer camera.

The lease may include a limited number of free reprints over the term of the lease, or on a per month basis. By way of example, the camera may be leased for \$150 for a period of 6 months, with 30 free prints a month. By including a limited number of reprints, such as paper reprints, in the lease, the customer will be encouraged to use the camera every month. This makes it more likely that the customer will either exceed the number of prints included in the lease, or will buy ancillary products, such as cups, calendars, tee shirts and the like, with images printed thereon, thus generating additional revenues. In addition, the consumer may be provided with a guaranteed price schedule for non-free prints for the term of the lease. For example, the customer may be guaranteed that the cost of each 4" x 6" print ordered in excess of the free prints will be 22¢ or less.



Optionally, the customer may be allowed to keep the camera at the end of the lease for free or for a discounted price, such as 75% of the original wholesale price, if the customer purchased a certain number of prints or spent a certain amount of money purchasing items from the camera lessor or intermediary during the lease. Further, the customer may be offered a lease renewal at the end of the lease.

Another form of camera distribution may be via an automated or human-staffed kiosk. In the case of an automated kiosk, in one embodiment the cameras are stored in locked compartments. Once a user initiates a rental, for example, by swiping a credit card into an appropriate reader and agreeing, via an interactive terminal, to certain contract terms, a compartment door opens and the user can retrieve the camera stored within. The rental fee may be a fixed amount charged for a predetermined rental period, or may be a daily rate which accrues with each day of rental.

The rental fee may be applied to prints ordered by the user via the kiosk or via a print house or related entity associated with the kiosk. For example, the user may pay a fee of \$10 using a credit card, a debit card, or other financial instrument, to rent the camera for a day. However, some or all of the \$10 fee may be advantageously applied towards the ordering of prints.

The images taken with the rented camera may be transferred to the kiosk or other site via a wired or wireless network or via a peripheral bus. For example, when the consumer returns the camera, the consumer may mate a camera I/O port connector with a corresponding connector located at the kiosk. The kiosk connector may in turn be coupled to a network or bus linked to a local or remote image storage system. The consumer may then initiate the transfer of images via the I/O port to the image storage system. These images may then be printed as directed by the consumer. However, if the user fails to return the camera within a certain amount of time, the total cost of the camera may be charged to the user's credit card or other financial instrument. If the consumer subsequently returns the camera, the consumer may receive all or part of the charged amount back. The consumer may be charged a late fee, such as a daily late fee, for late returns.

During the sign up process and throughout the use of the camera and orders of reproductions by the consumer, a consumer profile is built up. The profile advantageously may include one or more of the following:

1. Name
2. Customer identification code
3. Mailing Address
4. Billing Address
5. E-mail address
6. Other contact information (phone numbers, fax numbers, etc.)
7. Billing information, including credit card information
8. Preferred printing portal vendors or photofinisher
9. Reprint / enlargement size preference
10. Reprint / enlargement size preference finish (glossy, matte, etc.) preference
11. Camera brand, type, and specifications
12. Internet service type and connection speed
13. Contract data: picture development and reproduction counters, number of prints remaining to meet contract commitment
14. Security settings, unlocking keys, activation code
15. Usage pattern information

This profile data may be used to provide more efficient service, with better accuracy, and to more fully meet consumers' expectations. Thus, the profile data includes conventional information, such as contact information and billing information, as well as information on the preferred or default sizes and finishes for prints, and the preferred printing or photofinisher vendor. Thus, when the consumer uploads images and/or places an order, the consumer's preferences will be used as defaults, subject to changes by the consumer, saving the consumer the time and trouble of reentering the data.

In addition, information about the provided camera is stored as well. The camera-related information includes the camera brand, type (film, digital, video), and specifications (number of pixels, zoom, and/or aperture information). The information may be used to ensure the proper processing of images from the camera is performed. For example, it may be known the cameras from a certain manufacturer tend to de-emphasize a certain color. Knowing the brand of the camera that took the image allows the print house to compensate for brand-specific performance idiosyncrasies.

Further, if the camera's manufacturer or other entities provide updated software that enhances the operation of the camera, the information may be used to determine that the updated code is applicable to the consumer's camera. The consumer may either be informed of the availability of the updated code via e-mail or a Web page notification, or the updated code may be automatically downloaded to the consumer's camera the next time the camera is linked, directly or via computer, to the camera provider or print house Web site.

Additionally, contract data, including picture development and reproduction counters used to track reproduction purchases from the customer as well from others purchasing reprints of the images from the customer, is stored as part of the profile and updated as needed. The number of prints remaining to meet the contract commitment is further tracked and updated as purchases of reproductions are made. Security settings, unlocking keys or codes, and camera activation codes are stored as well. Usage pattern information, which track camera usage information and print order patterns, may be included in the profile as well. The content and use of such usage pattern information is discussed in greater detail below.

All or selected portions of the profile information may be stored on the print house, order taker and/or camera provider server. Additionally, all or portions of the profile information may be downloaded to the consumer's camera and stored in nonvolatile memory when the camera is linked to the corresponding server, either directly, or via a computer. Thus, in one embodiment, whenever and from wherever the consumer logs into the server to upload images, the relevant profile information will accompany the images, without requiring the consumer to reenter the information. This offers an advantage as compared to storing the information solely on the consumer's computer, as that computer may not be used for all transfers or orders of images or reproductions, or the computer may be used with several cameras. Thus, by way of example, the customer identification code, and camera-related information may be stored in the camera's memory, while personal information, such as addresses and contact information may not be stored in the camera.

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The camera usage information discussed above may include one or more of the following:

1. average number of pictures captured before upload of pictures
2. average number of pictures captured vs. number of pictures printed
- 5 3. time of day or year when camera is most likely to be used (mornings, summer, etc.) and frequency of flash usage
4. amount of time spent viewing each image on the LCD viewfinder
5. amount of time spent editing each image on-camera
- 10 6. number of images captured over a given time period
7. typical or average preferences for print numbers, sizes, or other products ordered (calendars, t-shirts, etc.)
8. track which advertisements/promotions the user investigated or generated a "click-through" experience
9. track how many different locations to which the user had prints shipped
- 15 10. track the user classification of their photo gallery (nature, family, friends, vacation, famous places, etc.)

This usage pattern data can then be used to market new ads and promotions, such as for printing and merchandise offers, more directly and with better focus to the individual user. Further, the most optimal times for showing ads on the camera's LCD viewfinder or other display can be better determined. In addition, inferences can be made about their future camera preferences and camera performance can be improved based on the usage information.

Thus, camera performance, user services, and advertisements may be enhanced and better tuned based on the usage data. In addition, much of the camera usage information is very useful to camera manufactures, and so such information may be sold to them. Optionally, a user may be allowed to opt out of having the usage information collected and/or distributed to others, to thereby increase the user's privacy. However, if the user does opt out, the user may be deprived from receiving certain discounts, offers, and/or advertisements, as there may not be adequate user information to select and provide such discounts, offers, and/or advertisements.

For example, by knowing the camera's memory capacity and by examining the number of pictures captured before the pictures are uploaded from the camera, a determination is made as to whether the user typically waits until the memory is full before uploading. If the memory is regularly full or almost full before such an upload, then the user may benefit from increased memory capacity so as to reduce the need to

upload so frequently. Thus, offers for memory upgrades or cards may be provided to the user, thereby increasing revenues and user satisfaction.

Further, by knowing the average number of pictures captured vs. number of pictures printed, a determination is made as to whether the user is only ordering prints for a small percentage, say 20%, of the captured images. If so, the consumer may be offered for reduced rates if the consumer orders additional prints, to encourage increased print orders of images.

By examining the time of day and date images are taken, a great deal of useful information may derived and used to improve camera performance and consumer satisfaction. For example, if it is determined that the user takes more images during the day than at night, advertisements for appropriate filters and polarizes may be provided to the consumer.

Furthermore, if it is determined from information obtained from a number consumers' cameras that most consumers take a majority of their pictures during the night, that information may be used by camera manufactures in deciding to optimize the camera sensors for sensitivity. If instead daytime pictures predominate, then camera manufactures may decide to optimize the camera sensors for dynamic range. In addition, by examining how many photos are taken at night, camera manufactures can better predict the lifetime of camera flash units, and decide whether they need to be improved or can be made less durable. Further, camera life, which is significantly affected by flash usage, can be better predicted, and more accurate low battery warnings can be provided to the user. The frequency with which flash pictures are taken may be used to better predict needed flash cycle times, and to better specify battery-type to satisfy the predicted cycle time.

By examining the quantity of pictures taken versus the dates the pictures are taken, still more significant information can be inferred. For example, if a large number of pictures were taken during "spring break," that is, when schools typically go on vacation during the sprint, it can be inferred the user took those pictures while on travel. Special offers for enlargements or prints may be offered in larger number during this period, to further encourage the purchase of those special vacation photographs.

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In addition, by knowing how much memory the camera was shipped with, optionally tracking the number and size of removable memory units the user has purchased or employed, and by examining how many pictures the user typically takes during a given period, such as a week, warning can be provided to the user via a camera display, information the user that within a predicted number of days the camera memory will be full. For example, the warning may state:

“Based on your typical usage, the available memory will be full in 3 days. You may want to consider deleting or transferring one or more images.”

The user may use this information to either transfer or delete images from the camera after receiving the warning, or may decide to take along extra camera memory units or cards.

By examining the amount of time the camera flat panel or LCD display is used to view or edit images, and the number of pictures taken over a given period, battery life can be better predicted, and the camera power management can be optimized for such use. For example, the camera may be set to automatically shut off or go into a low power standby mode sooner if the display is left on frequently to better conserve battery power. In addition, the desirability of improved displays on the part of users can be better evaluated.

In addition, by examining the number of prints taken over a certain period, the user’s typical preferences for print numbers, sizes, or other products ordered, and tracking which advertisements/promotions the user investigated, additional related promotional offer and discounts may be provided. For example, if it has been determined that the consumer has taken few pictures or has not used the camera for a certain period of time, or has not uploaded images to the corresponding Web sites, advertisements may be presented via the camera display, e-mail, or on a Web page offering discounts if the user orders prints within a certain period of time. For example, if the user has not uploaded any images or ordered any prints for 4 weeks, an e-mail may be sent to the user stating

“We miss you. Please order 10 prints for free! Additional prints are only 15¢ a print.”

The camera can also be a "reminding" device to occasionally inform the user how many prints they need to fulfill, and the time remaining on their contract. These reminders can be provided at opportune moments selected based at least in part on the tracking data.

One embodiment of the image and camera management and distribution system will now be described in greater detail with reference to Figures 1-12. Throughout the following description, reference will be made to various implementation-specific details, including, for example, specific process flows, system architectures, protocol standards, forms, displays, interfaces, and the like. These details are provided in order to fully set forth preferred embodiments of the invention, and not to limit the scope of the invention. The scope of the invention is set forth in the appended claims.

Figure 1 illustrates an exemplary image distribution and management system, including the basic hardware and software/Web components, for implementing a system for distributing image capture devices, images, and prints in accordance with one embodiment of the invention, and illustrates typical user components for accessing the system. By way of example, the exemplary image distribution and management system may be used with the methods and processes discussed below.

Customers access a Web site 102 to which images may be uploaded and from which reproductions of images may be ordered using respective computers 104, 106 or a camera 108 that has access to the Internet 112 via an internal wired or wireless modem, by way of example. The computer 110 may receive digital images from a digital camera 110 or via scanned in images. The camera provider, order taker and/or a print house may operate the Web site 102, which may be one and the same entity. The customer computers 104, 106 may run commercially-available Web browser applications 114, 116 such as Microsoft Internet Explorer® or Netscape Navigator®, which implement the basic World Wide Web standards such as HTTP and HTML. Optionally, the browsers may have the ability to run Java applets and/or ActiveX code.

In addition, the Web site 102 may be connected via the Internet 112 or other network to servers 118, 120 associated with different print houses or other image reproduction entities.

The computers 104, 106 may also run a commercially available e-mail applications, such as Microsoft Outlook®, Outlook Express® or Netscape Navigator®, which may be used to send and receive communications and images from or to the Web site 102 or others, such as print houses, friends, and the like.

5 In the embodiment described herein, the Web site 102 includes a computer system and associated content that are accessible via the Internet 112. The Web site 102 may optionally include content that spans multiple Internet domains, and/or may be implemented using physical servers that are geographically remote from one another. In other embodiments, the Web site 102 may be in the form of an Intranet site, and the  
10 computers 104, 106 and camera 108 may be coupled to the site by a private network. For example, Web site 102 may be in the form of an internal corporate or university store site for company or university employees.

In other embodiments, the Web site 102 may be replaced with another type of network site. For example, the various services described herein could alternatively be  
15 implemented on a hypertextual site or browsing area of an online services network such as America Online® or MSN®, or using interactive TV, in which case users may access the site using software that implements non-standard document formats and transfer protocols.

As further depicted by Figure 1, the Web site 102 includes a commercially  
20 available Web server application 122. The Web server application 122 accesses an HTML page code database 124 used to generate Web pages in response to the actions of end users.

The Web site 102 also includes an order processing application 126 which includes the basic functionality for receiving orders from customers and for optionally  
25 selecting and relaying all or portions of orders to an appropriate print house server 118, 120. The order processing application 126 accesses a customer database 128 and an image database. The customer database 128 stores customer profile information, including, for example, contact information, billing information, print preferences, camera model, Internet service information, security codes, usage information, contract  
30 commitments, and so on. In addition, the customer database stores order history information, including the dates, types, and amounts associated with orders from the



customer. The customer database 128 also includes order history information for orders of a given customer's images placed by others, such as by relatives. Counters which track how many total image reproductions have been ordered and how many still need to be ordered for a given customer to fulfill the customer's contractual requirements.

5           An image database 130 is used to store digital images uploaded by customers. If the uploaded images are encrypted, the images may optionally be decrypted before being stored in the image database 130. In addition, the images may optionally undergo compression before being stored, so as to reduce memory requirements. As will be discussed in greater detail below, the stored images may be viewed and reproductions of  
10       the images may be ordered.

Figure 2 illustrates an exemplary process 200 of registering to receive a camera. At state 202 a consumer initiates the purchase of a camera. At state 204, the consumer may be offered the choice of a conventional straight purchase or a free or discounted camera in exchange for a commitment or contract to purchase or have purchased a  
15       selected number of image reproductions. If the consumer elects to make a conventional purchase, the process 200 proceeds to state 206, where the sale process is completed.

If, instead, the consumer elects to contract to purchase or have purchased a selected number of image reproductions or otherwise expend an agreed to amount of money with the camera provider or an associated entity thereof, the process 200  
20       proceeds to state 208. At state 208, the consumer enters into a contract with the camera provider or other designated entity. The contract includes a commitment by the consumer that a certain number of prints, print equivalents (useful items, like mugs, bearing image reproductions), and/or expend a certain amount of money on goods and services over a selected time period.

25           The consumer typically provides certain profile information, such as billing information (such as billing address and credit card number), mailing address, e-mail address, the contract type(purchase, lease-type, etc.), printing preferences (such as whether prints are to be hard copies, stored on digital media, e-mailed, and so on, and the print size and finish), password and the like. Figure 7A-B illustrate an exemplary  
30       registration form in which the consumer enters profile information, such as user name, password, address, other contact information, billing information, and shipping

information. The consumer may select the default number of copies to be made of each image, the print sizes, if any, and whether copies of the images should be provided on CD-ROM. Optionally, the form may also include fields allowing the consumer to specify that copies of prints should automatically be made for a designated recipient and the method of delivery to the recipient (such as hard copy, optical disk, and/or e-mail).

Once the consumer submits the application form, selected information, such as credit information and mailing address, may be optionally verified. The camera provider then supplies the consumer the camera at state 210 and charges the consumer the agreed upon discounted price for the camera, unless, of course there is a 100% discount, i.e., the camera is free. The camera provider also generates a unique user identification code, which is stored as part of the consumer profile. At state 212, the profile information is transferred to the server associated with the appropriate Web site which will be used to handle future orders for prints and related services and products. For ease of reference, and not by way of limitation, this web site is referred to as the "order placement" web site.

At state 214, the consumer installs (clarify #) the camera and connects the camera to the order placement Web site. At state 216, all or selected portions of the profile data is downloaded from the Web site server to the camera. In addition, a camera enabling code and a public key used for encrypting images are downloaded as well, thereby initializing the camera and completing the registration. At state 218, the consumer may begin using the camera to take photographs.

Figure 3 illustrates an exemplary process 300 of transferring and viewing images and providing image reproductions. At state 302, the consumer takes photographs using a digital camera, and the images locked, via an encryption key or the like. The consumer may view the images on a local display, such as the camera LCD viewfinder. At state 304, if the consumer or other user attempts to transfer the images, such as to a computer, printer, or network, a determination is made as to whether the images have been unlocked using the appropriate code, such an authorization code or encryption key. If the images have not been unlocked, then at state 310, the images may not be viewed off of the camera and cannot be printed. For example, the locked images may not be viewable on a personal computer. Similarly, the images cannot be printed either on a

local printer, or by a print house that does not have the appropriate key. In one embodiment, thumbnail, low-resolution images may optionally be allowed to be transferred viewed, and printed.

At state 312, the consumer logs onto the order placement Web site and uploads the encrypted images. At state 314, usage information, including the number of images taken and transferred and at what resolution, is tracked and stored. In addition, if the images are associated with caption information, such as "holiday," "birthday," and/or "anniversary, the caption information may be stored. This information may be used to further build the consumer's profile for targeted advertising purposes or to provide special offers. For example, if an order is placed for several pictures captioned or titled "Anniversary," special related offers, such as for a bound photo album including the appropriately captioned pictures, with the phrase "Our anniversary" engraved on the cover, or discounted enlargements or frames, may be presented.

At state 316, the images are decrypted. The decrypted images may be transferred or uploaded to the consumer's computer for viewing and printing on a local printer, and/or may be posted on a Web page associated with the order placement Web site so that the consumer or others may order image reproductions. In one embodiment, the consumer may be required to order reproduction of at least one of the uploaded images, or place some other type of eligible order, before the images are viewable. The number of images taken and other usage information is tracked at state 318. The process then returns to state 304.

If, at state 304, it is determined that the images are unlocked, the process proceeds to state 306. The images are viewable on a local terminal, such as a personal computer and/or may be viewed on a Web page. At state 308, the orders are received and processed. In one embodiment, a print house that makes the image reproductions processes the orders. The image reproductions are sent to the consumer and others as specified in the consumer profile or as otherwise directed. Thus, the image reproductions may be sent by mail, e-mail, fax, and so on. The image reproductions may be sent directly to the consumer by the print house, without having to first send the reproductions to the order taker.

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Figure 4 illustrates state 308 of Figure 3 in greater detail. At state 402, the consumer selects which images are to be private, which are to be shared, and which are to be public. For orders placed by the consumer, the process proceeds to state 404. The consumer is presented with an order form that displays the consumer's default order information stored in the consumer profile. Thus, for example, the order form specifies how many copies of each image reproduction should be made, the type of image reproduction, if the image reproduction is a paper print, the paper and finish type, the size of the print, the mailing address, billing information, and other recipients who are to receive reproductions of the images, paid for by the consumer. The consumer can optionally modify the presented information as needed or desired. Further, the consumer can specify that only certain images are to be reproduced, and can specify the type and size of image reproductions on an image-by-image basis. Once the consumer completes the order form, the consumer submits the order for processing.

At state 406 the consumer is charged or debited for the order. The form of the charge or the debit of course depends on the financial instrument (credit card, debit card, pre-paid account, etc.) selected to pay for the order. At state 408, the consumer's commitment to order a certain number of prints or to spend a certain amount of money is tracked. The outstanding commitment balance is reduced by an amount related to the size and type of order placed at state 404.

If the camera manufacturer or OEM (original equipment manufacturer) has elected to participate in the image processing profits, in exchange, by way of example, for a reduction in the camera cost to the camera provider, then a portion of the order proceeds charged at state 406 are transferred to the camera OEM at state 410.

If the order processing Web site is not managed directly by the print house, then, at state 412, the consumer's order is transferred to the print house. In one embodiment, the consumer may select the print house. Further, different portions of the order may be sent to different print houses. For example, orders for mugs with the consumer's images printed thereon may be sent to a different print house than orders for paper prints. At state 414, the print house processes the order, and mails the prints to the consumer based on either information provided in the consumer profile or otherwise specified by the consumer.

At state 416, designated users, such as family members, friends, business entities, or the like, may view shared images via a Web page or directory associated with the consumer. As allowed by the consumer, these designated users may order image reproductions. At state 418, the consumer may receive credit towards the consumer's commitment based on the orders placed by others. In one embodiment, the consumer may receive a royalty for each reproduction ordered by others. Optionally, the royalty may be paid only if the consumer has already fulfilled the consumer's commitment.

Figure 5 illustrates an exemplary process 500 of renting a camera. At state 502, the consumer visits a rental station or kiosk, which may be an automatically operated kiosk or may be staffed by operators. Such a kiosk may be strategically located at transport centers, such as an airport, bus station, railway terminal, or at other locations likely to be visited by picture takers or tourists, such as hotels, amusement parks, national parks, landmarks, sports stadiums, beaches, scenic areas, restaurants, and the like. The consumer provides a rental fee or deposit, in the way of a credit card charge, an account debit, cash, etc. The consumer is notified that all or a portion of the rental fee or deposit may be applied towards the purchase of image reproductions for images taken with the camera, or for the purchase of other goods or services associated with the camera renter.

At state 504 the consumer takes photographs using the camera. At state 506, the consumer uploads the images to a computer system. The upload may be performed at the kiosk from which the camera was rented or via other connections, such as a wireless network or another computer. The computer system to which the images are to be uploaded may be located within the kiosk or the computer system may be remotely located. At state 508, the consumer selects images to be stored or to be reproduced via printing, e-mail or the like. The consumer may enter several e-mail addresses and have copies of the images mailed to all designated addresses. The selection may be performed via a kiosk display or other terminal. At state 510 the images which the consumer requested to be e-mailed are now e-mailed. The e-mail address to which the e-mail is directed may belong to the consumer or to anyone whose e-mail address the consumer entered at state 508. At state 516, the stored images may be viewed via the

Internet or the like by specified users or by the public at large, as designated by the renter.

At state 512, orders are received for image reproductions from the e-mail recipients. At state 520, orders are received for image reproductions from users who viewed the images at state 516. At state 514, the user that placed the order is charged for the cost of the reproductions. In one embodiment, all or part of the camera rental cost may be applied to the charge, so that only the amount above that rental cost is actually charged. Optionally, only the renter receives credit towards the order for the rental fee.

If a camera OEM is participating in the process, for example, by providing the camera to the kiosk operator at a discount, then at state 522 a portion of the fees collected via the camera rental and/or via orders for reproductions are forwarded to the camera OEM. At state 524 the reproductions, in the form of prints and the like, are sent to those who ordered the reproductions.

Figure 6 illustrates an exemplary method 600 of providing advertising and coupons. At state 602, the consumer receives a free or discounted camera in exchange for providing consumer profile information and also optionally for committing to use the camera and order a certain number of prints or other image reproductions. The consumer profile information may include information useful to marketers, such as, by way of example consumer age, income, net worth, number and types of cars, value of home, equity in home, number and type of computers, family size, address or zip code, number of business and personal trips per year, and so on.

At state 604, the profile information is transferred to a Web site associated with the camera provider. The consumer then may capture images using the camera at state 606. The images may be viewed on a local camera display, but, in one embodiment, are encrypted so that they may not be viewed by the consumer on an external display and may not be printed out at full resolution or at all. At state 608, the consumer connects the camera to the Web site via the Internet. As previously discussed, the connection may be made directly from the camera or via a personal computer or the like. The consumer then logs in. Once the log-in is complete, at state 610 the camera uploads the images and usage information to the Web site, which decrypts the images.

At state 612, the consumer may view the decrypted images on a terminal or the like. The consumer may then order reprints of the images. Advantageously, the consumer may elect to receive reprints of selected images with attachments, such as advertisements, coupons, promotional messages, or the like attached, in exchange for receiving the reprints for free or at a discount. A further advantage of this method is that the advertisements, coupons, promotional messages, and the like may be targeted based on the consumer's profile information gathered at state 602. In one embodiment, the consumer may also elect to purchase reprints of the images without advertisements, coupons, or promotional messages at an increased cost to the consumer as compared to reprints ordered with such attachments. At state 614, the consumer is provided with the free or discounted prints with the attachments and the ordered images without the attachments.

Figure 8 illustrates an exemplary Web page 800 used to view account status and to order prints. The user's images, uploaded from the user's camera, are displayed as part of the user's on-line gallery 818. The user can select which images are to be reproduced by activating the filed or check box associated with the print.

The account status information includes the user name 802, the camera model provided to the user 804, the number of prints that the user still needs to order to fulfill the user's contract commitment 806, the number of prints currently being ordered 808, the default recipient(s) of the prints 810, and the total cost of the order 812. The information provided in fields 806, 808, and 812 may be updated in real-time to reflect additions or deletions to the current order.

The user may elect to have additional copies of the images shipped to recipients other than the default recipient(s) via a shipping choice menu 814. For example the user may elect to have copies sent to the user's home, a grandmother, parents, or a sibling. The user can also select various print options via a print options menu 816. For example, the user can select the print size, enlargements, and/or to have the image printed on an item, such as a T-shirt, cup, or calendar. If the user has previously selected a default print option via the registration form or via a preference form, the print option corresponding to the default will already be automatically selected when the

form is presented to the user. The user can de-select the default option by clicking on the appropriate option.

The exemplary form illustrated in Figure 8 also allows the user to elect to include advertisements printed or emblazoned on prints over the print image in exchange for receiving the prints for free. The user can advantageously select the position of the advertisement on the print. For example, the user can select to have the advertisement printed on the top, bottom, left side or right side of the print via an advertisement position menu 820. In addition advertisements may be presented directly on the Web page 800.

As previously discussed, in one embodiment, a camera equipped with an appropriate network interface and user interface controls 908 can be used to directly provide orders. Figure 9 illustrates an exemplary flat panel viewfinder display, displaying an image, account status and order information. Account status 902, including information previously downloaded from the camera provider Web site and information based on the current order being placed, is provided. The user can elect to secure the image being displayed so that it may not be publicly viewed once the image is uploaded to the Web site. The user can also order prints of the image. The user may toggle between “yes” and “no” entries by moving a cursor 910 to the entry using a built in toggle mouse, touch pad, or the like, and then activating an appropriate button. Of course other user input devices, such as voice recognition or a touch screen may be used as well. Advertisements 906 may also be displayed on the camera viewfinder.

Figure 10 illustrates an exemplary print 1002 with an attached coupon 1004 and an attached advertisement 106. The advertisement and coupon may be selected by the print house or camera provider based upon the user profile. For example, a coupon may be provided for a restaurant located near the user’s home or business address. Similarly, an advertisement for a clothing establishment may be selected based on the user’s home or business address and the user’s income level. The coupon and advertisement attachment points 1008 may be perforated to make it easy to tear the coupon and advertisement off, so that they may be used, saved or discarded. Figure 11 illustrates an exemplary print with advertising 1102 in a border area 1104. This ensures that the advertising does not obscure the image.



Figure 12 illustrates an exemplary image with an advertisement emblazoned thereon. This gives great prominence to the advertisement and makes it difficult to remove the advertisement, ensuring the advertiser received an adequate presence on the print.

5           Thus, as described above, the present invention advantageously enables consumers to obtain cameras with cameras with reduced or no up-front costs, print houses can depend on a steady revenue stream from picture orders that the consumer has committed to, and camera manufactures can participate in the downstream revenue associated with image processing.

10           Although this invention has been described in terms of certain preferred embodiments, other embodiments that are apparent to those of ordinary skill in the art are also within the scope of this invention. Accordingly, the scope of the present invention is intended to be defined only by reference to the appended claims.

WHAT IS CLAIMED IS:

1. A method of providing cameras to consumers in exchange for a commitment, the method comprising:

receiving a request by a consumer for a camera;

5 determining if the consumer has at least a first financial instrument;

receiving a commitment by the consumer to purchase at least a first amount of image reproductions within a selected amount of time;

10 providing the consumer with the camera, where the camera is a digital camera, at least partly in response to the consumer entering into the commitment and determining that that consumer has the at least first financial instrument;

encrypting at least a first image taken with the camera, wherein the encryption is intended to prevent the consumer from having prints of the first image made from a source not associated with the camera provider;

15 receiving and decrypting the encrypted first image; and

printing the decrypted first image.

2. The method as defined in Claim 1, further comprising allowing images taken with the camera to be displayed on a camera display.

3. The method as defined in Claim 1, further comprising allowing low resolution versions of images taken with the camera to be transferred from the camera.

20 4. The method as defined in Claim 1, further comprising:

receiving an order for an image print from someone other than the consumer; and

crediting the consumer's commitment fulfillment based on the order.

25 5. The method as defined in Claim 1, further comprising:

receiving an order for an image reproduction from someone other than the consumer; and

providing the consumer a benefit based on the order.

6. The method as defined in Claim 1, wherein the encrypted first image is received from a terminal to which the first image has been transferred from the camera.

7. The method as defined in Claim 1, wherein images taken by the camera are encrypted by the camera until the consumer has fulfilled the commitment and an unlocking code has been received by the camera.

5 8. The method as defined in Claim 1, further comprising receiving in association with the first encrypted image at least one of ISO equivalency information, aperture setting information, and shutter speed information.

9. The method as defined in Claim 1, wherein the camera is provided at least partly in response to an amount paid by the consumer for the camera, wherein the amount is related to the number of reproductions the consumer committed to purchase.

10 10. A method of providing a camera to a user, the method comprising:  
receiving a commitment by the user to purchase at least a first amount of image reproductions; and  
providing the user with the camera at least partly in response to the user entering into the commitment.

15 11. The method as defined in Claim 10, further comprising storing camera usage information.

12. The method as defined in Claim 11, further comprising selecting advertising to be presented to the user based at least in part on the camera usage information.

20 13. The method as defined in Claim 11, further comprising modifying camera performance based at least in part on the camera usage information.

14. The method as defined in Claim 10, further comprising predicting camera battery life based at least in part on the number of pictures taken with the camera during a predetermined time period.

25 15. The method as defined in Claim 10, further comprising predicting when camera memory will be full based at least in part on the number of pictures taken with the camera during a predetermined time period.

16. The method as defined in Claim 10, further comprising modifying camera energy management based at least in part on the number of pictures taken with the camera during a predetermined time period.

30 17. The method as defined in Claim 11, wherein at least a portion of the camera usage information is stored in camera memory.

18. The method as defined in Claim 11, wherein at least a portion of the camera usage information is stored on a server associated with a Web site.

19. The method as defined in Claim 10, wherein the encryption is performed by the camera on at least a first image captured by the camera.

5           20. The method as defined in Claim 10, wherein the type of camera provided is based at least in part on the extent of the commitment.

21. The method as defined in Claim 10, wherein the first amount is a dollar amount.

10           22. The method as defined in Claim 10, wherein the first amount is a quantity of image reproductions.

23. The method as defined in Claim 10, further comprising:

receiving user profile information; and

storing at least a portion of the user profile information in the camera.

15           24. The method as defined in Claim 10, wherein the commitment is to be fulfilled within a predetermined amount of time.

25. The method as defined in Claim 24, further comprising fixing the price to the user of at least a first type of image reproduction for at least the predetermined amount of time.

20           26. The method as defined in Claim 10, further comprising receiving an order for hard copy image reproductions, where the user places the order using a camera user interface.

27. The method as defined in Claim 10, further comprising receiving an order for hard copy image reproductions over a network.

25           28. The method as defined in Claim 10, further comprising receiving over a network images taken with the camera and receiving camera setting information associated with the images.

29. The method as defined in Claim 10, further comprising downloading an advertisement into the camera and displaying the advertisement on a camera display.

30           30. The method as defined in Claim 10, further comprising receiving a designation from the user as to which print house is to print images ordered by the user.

31. The method as defined in Claim 10, wherein the camera is provided by a print house.

32. The method as defined in Claim 10, wherein the camera is provided by a camera manufacturer to an intermediary at a discount, who then provides the camera to the user, and the intermediary causes the camera manufacturer to be paid an amount based at least in part on user orders for image reproductions.

33. The method as defined in Claim 10, wherein the camera is provided with no initial cost or charge to the user.

34. The method as defined in Claim 10, wherein the camera is provided at a reduced cost to the user in exchange for the commitment.

35. A method of providing a camera, comprising:

- renting a camera to a user in exchange for a first fee;
- receiving at a computer at least one image taken with the camera;
- receiving an order for a reproduction of the at least one image; and
- applying at least a portion of the first fee towards the cost of the order.

36. The method as defined in Claim 35, wherein the camera is rented at an automated kiosk.

37. The method as defined in Claim 35, wherein the user is charged an additional fee if the camera is not returned within a predetermined amount of time.

38. The method as defined in Claim 35, wherein the computer is located remotely from where the camera was rented.

39. The method as defined in Claim 35, wherein an additional fee is charged for orders costing more than the first fee.

40. A method of providing a camera, comprising:

- receiving a camera from a camera manufacturer at a first price, wherein the camera is received by a distributor;
- providing the camera to a consumer at a second price;
- receiving payment from the consumer for image reproductions of images captured with the camera; and
- paying the camera manufacturer at least a first amount based at least in part on the payment received from the consumer.

41. The method as defined in Claim 40, where the camera manufacturer provides the camera at a discount in return for a commitment on the part of the distributor that the camera manufacturer will be paid said at least first amount.

42. A method of providing a camera to a user, the method comprising:

5                   receiving a commitment by the user to lease the camera for a predetermined period;

                  providing the user with a first number of prints at no additional cost as part of the lease; and

                  committing to provide additional prints beyond the first number of prints  
10               for no more than a predetermined fee.

43. The method of providing a camera to a user as defined in Claim 42, further comprising providing the camera to the user.

44. The method of providing a camera to a user as defined in Claim 42, further comprising selling the camera to the user after a first period.

15

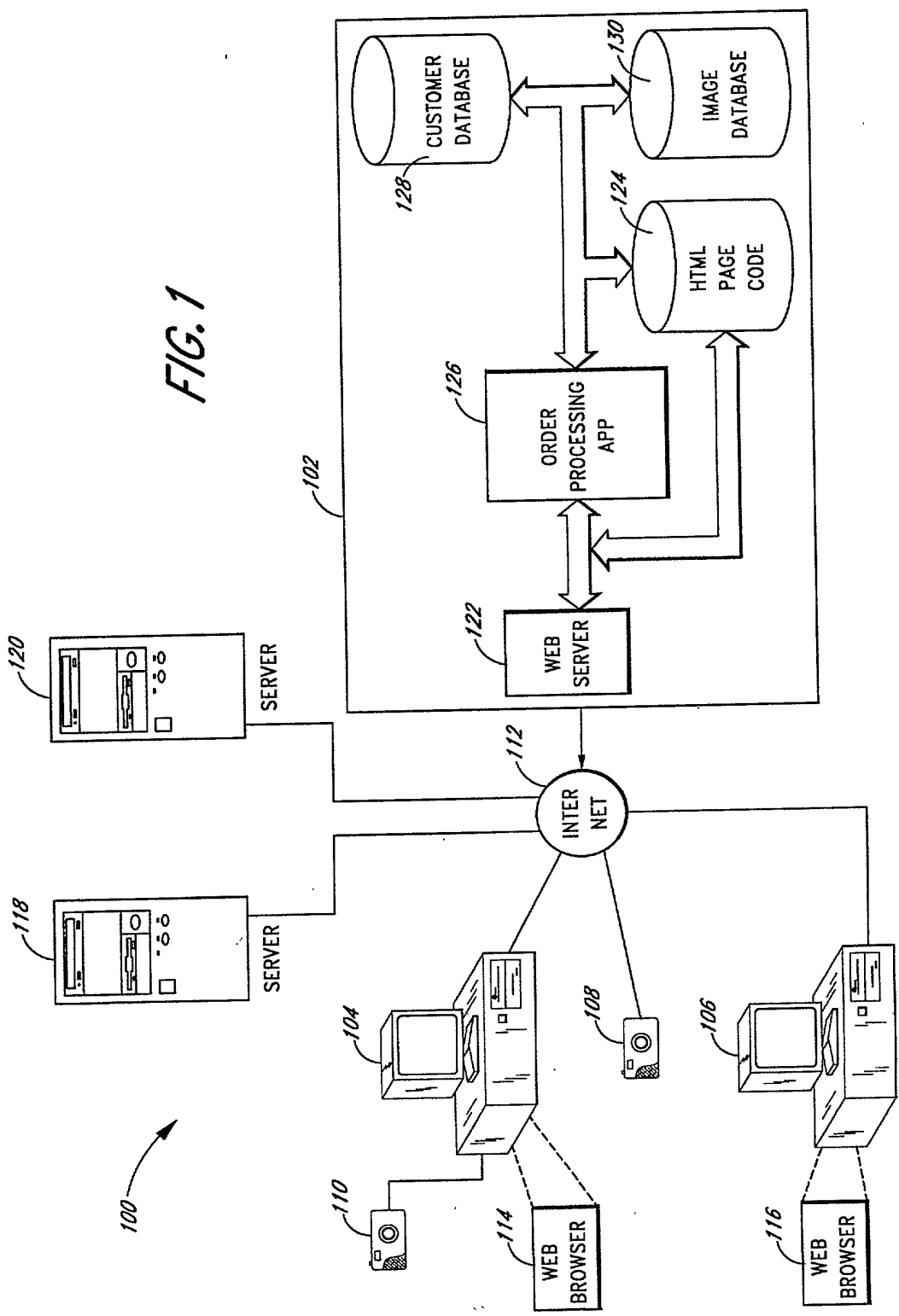
# METHODS AND SYSTEM FOR MANAGING THE DISTRIBUTION OF IMAGE CAPTURE DEVICES, IMAGES, AND PRINTS

## Abstract of the Disclosure

5 The present invention is generally directed to methods and systems for distributing  
image capture devices, images, and prints. One embodiment of the present invention  
advantageously provides cameras, such as digital cameras or film cameras, to  
consumers for free or at a discounted cost. In exchange, the consumer makes a  
commitment that a certain number of image reproduction or prints will be purchased by  
10 the consumer and/or by others. In another embodiment, a user receives prints with  
associated advertisements attached at a reduced price.

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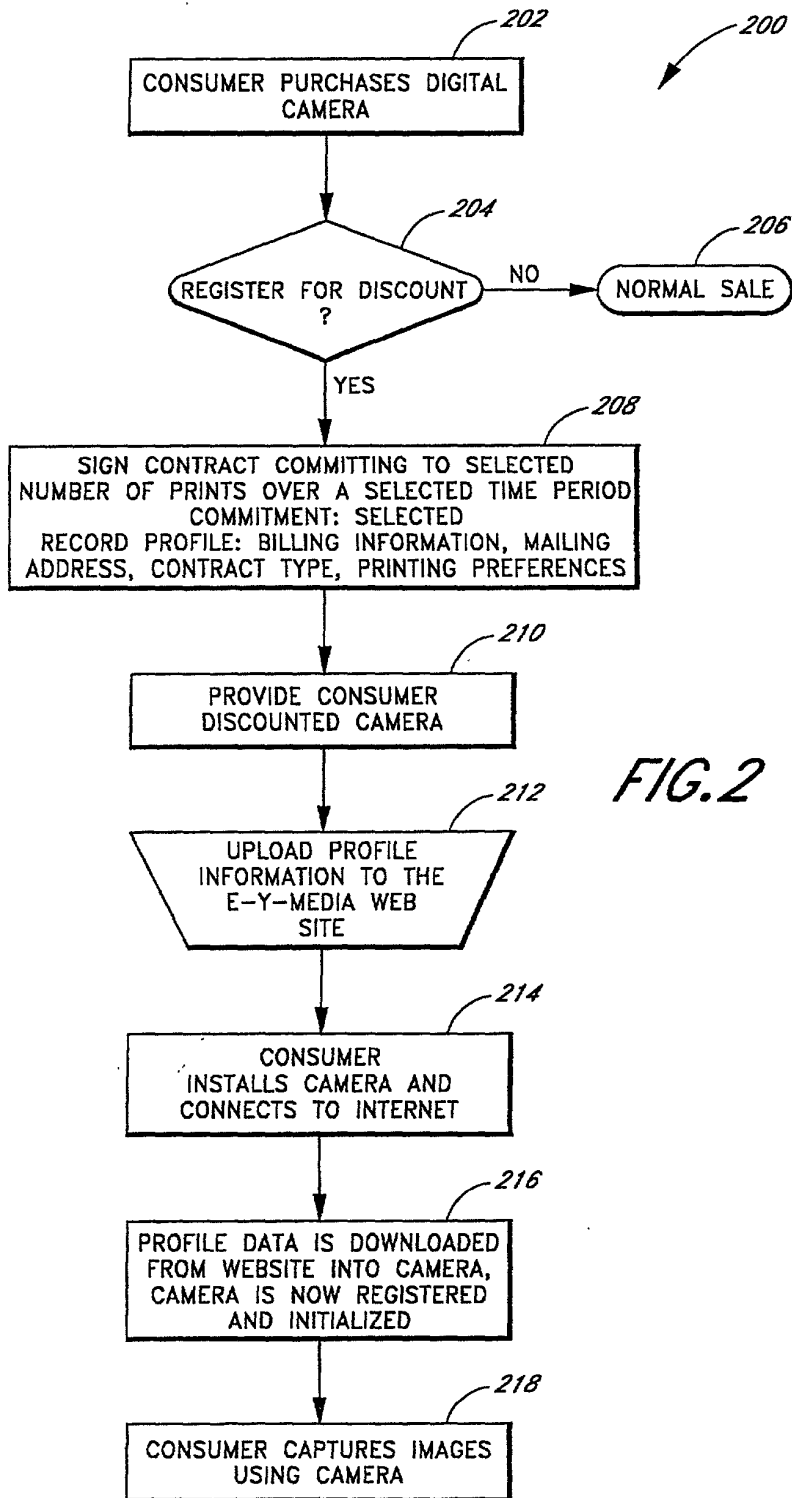


FIG. 2

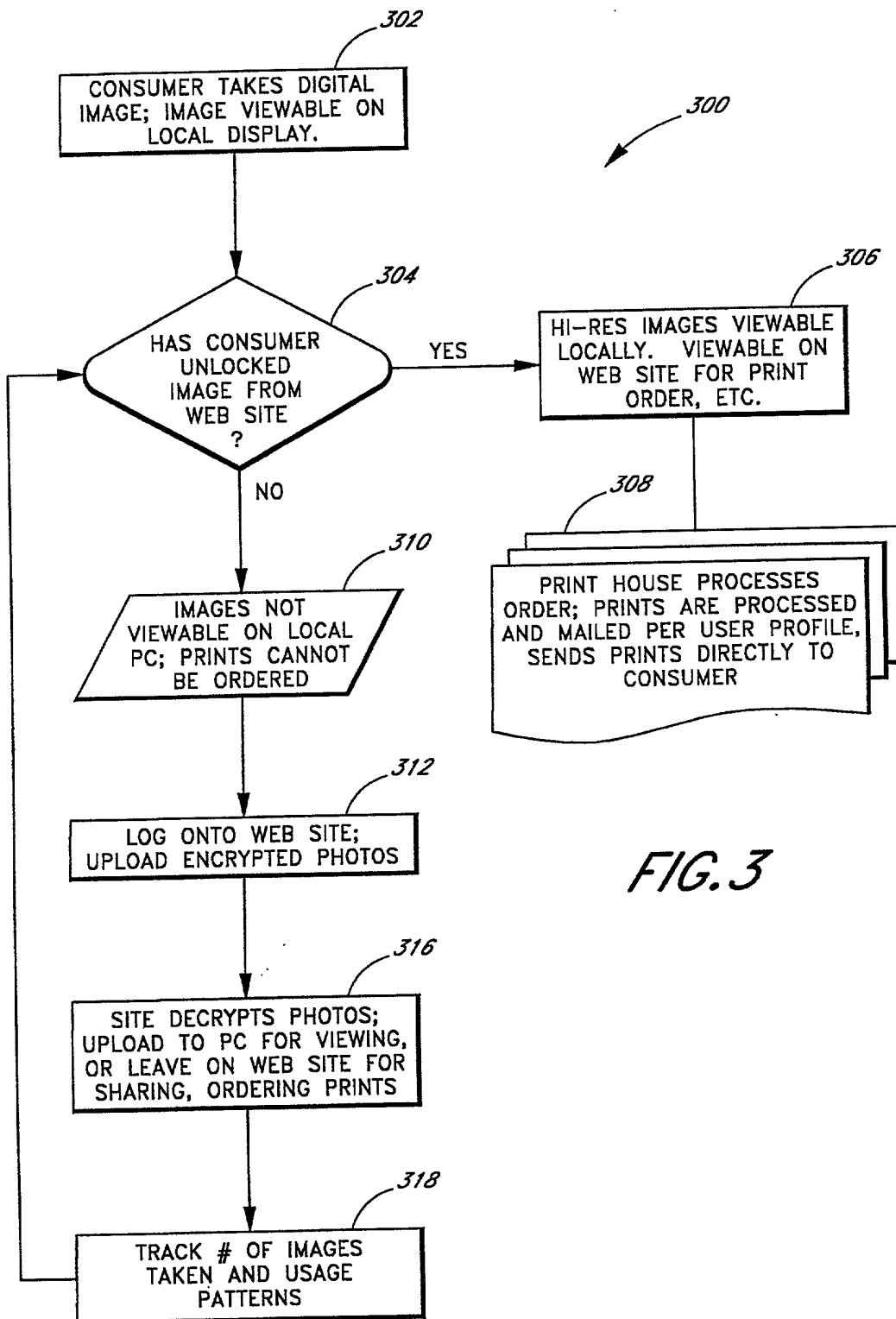
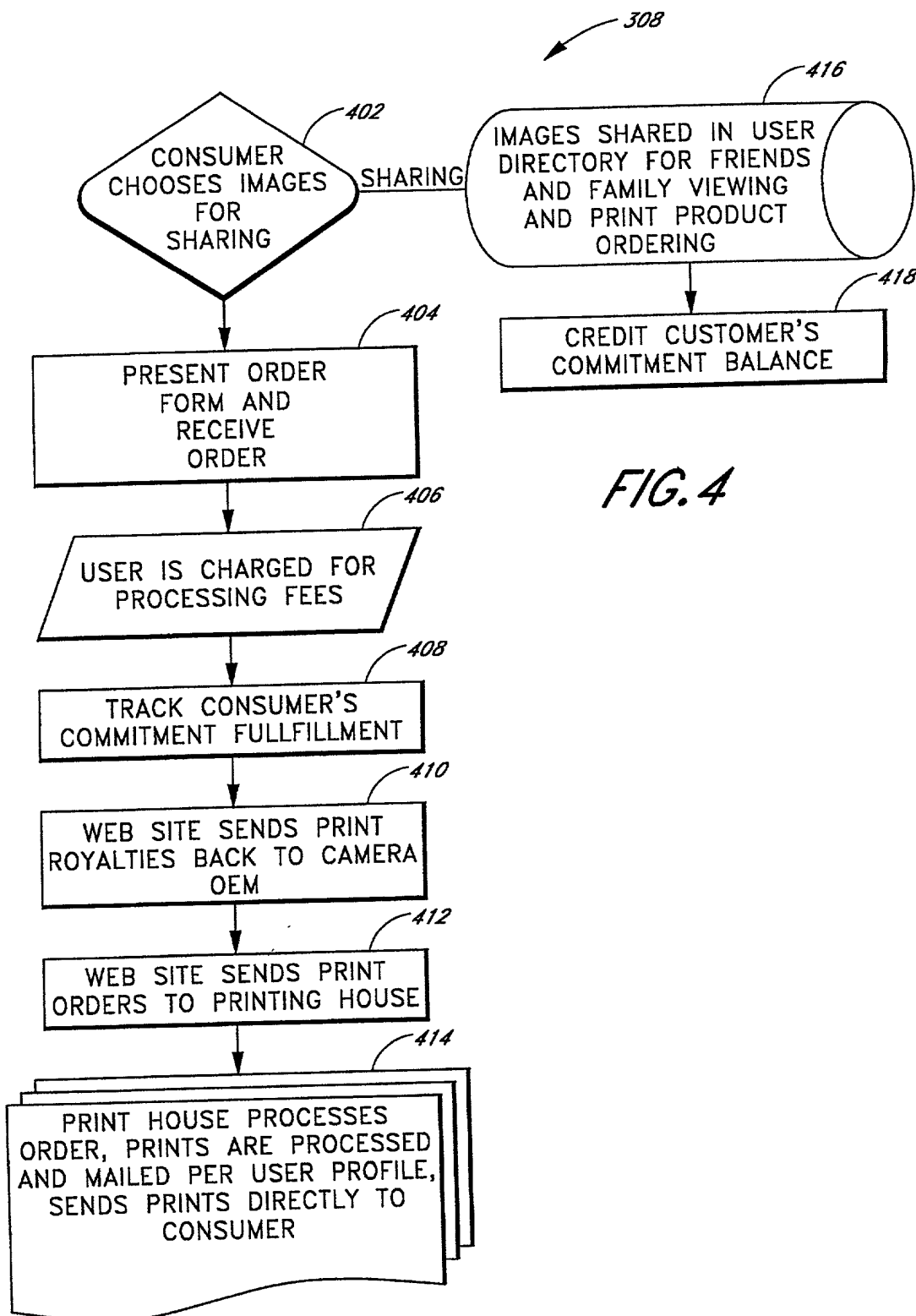


FIG. 3



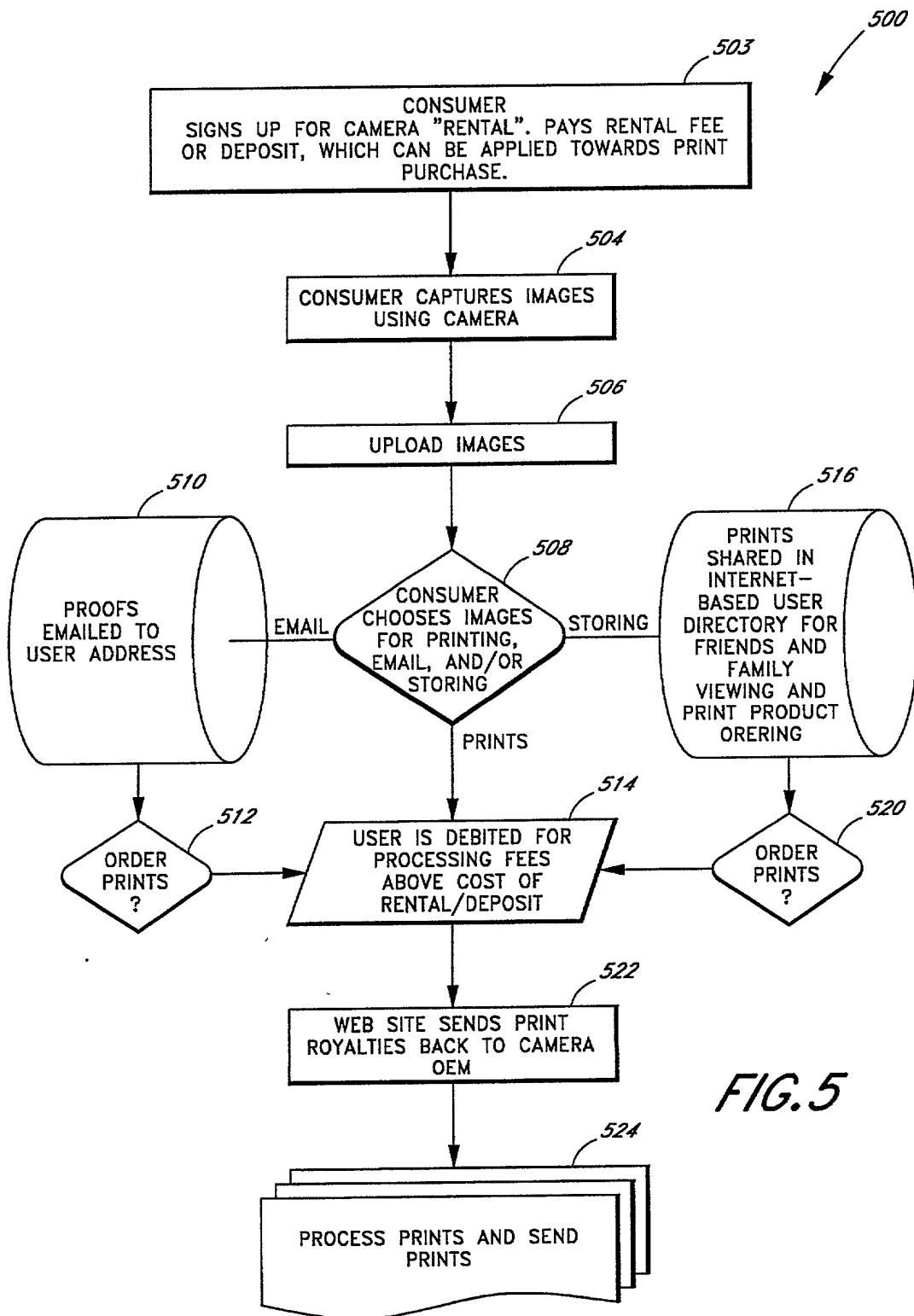


FIG. 5

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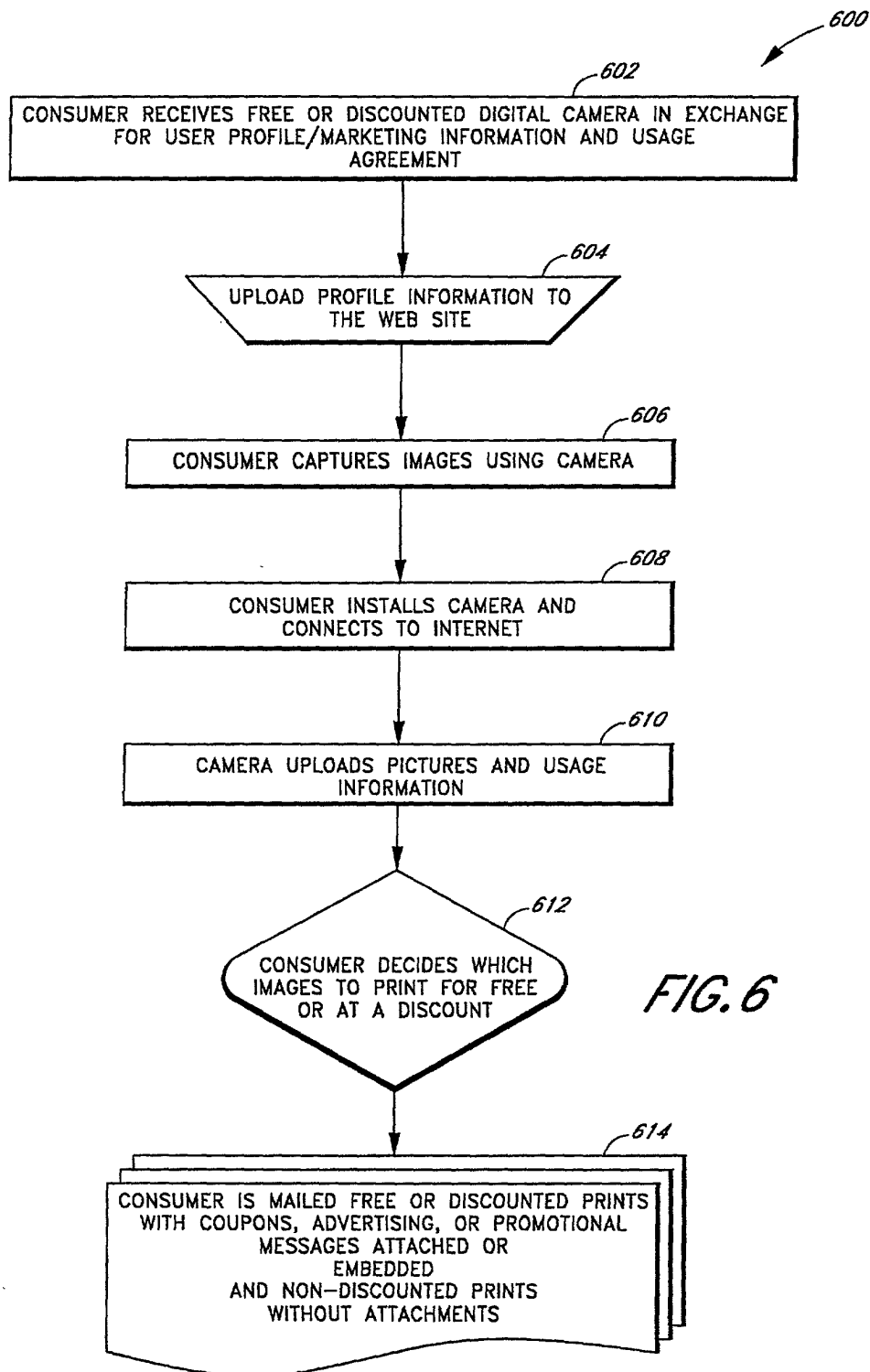


FIG. 6

Please provide your account information:

User Name   
Password   
Confirm Password

FIG. 7A

Or, to sign up for a new account please enter the following:

Name   
Street Address   
Address (cont.)   
City   
State/Province   
Zip/Postal Code   
Country   
Work Phone   
Home Phone   
FAX   
E-mail

BILLING

Credit Card    
Cardholder Name   
Card Number   
Expiration Date

Primary print shipping preference

Street Address   
Address (cont.)   
City   
State/Province   
Zip/Postal Code   
Country

00579789 005000

Please select the default number of image reprints to be provided for future orders:

- ☐ 1 copy
- ☐ 2 copies
- ☐ No hard copies

Please select your default print size for future orders:

- ☐ 3" x 5"
- ☐ 4" x 6"
- ☐ 5" x 7"
- ☐ CD-ROM only
- ☐ E-mailed copies only

If you did not select the CD-ROM option above, would you like your prints to be provided on CD-ROM in addition to the prints selected above?

- ☐ Please also provide my image on CD-ROM. I understand this will add \$5.00 to each order.

Submit Form

Reset Form

*FIG. 7B*

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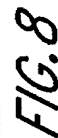


FIG. 8



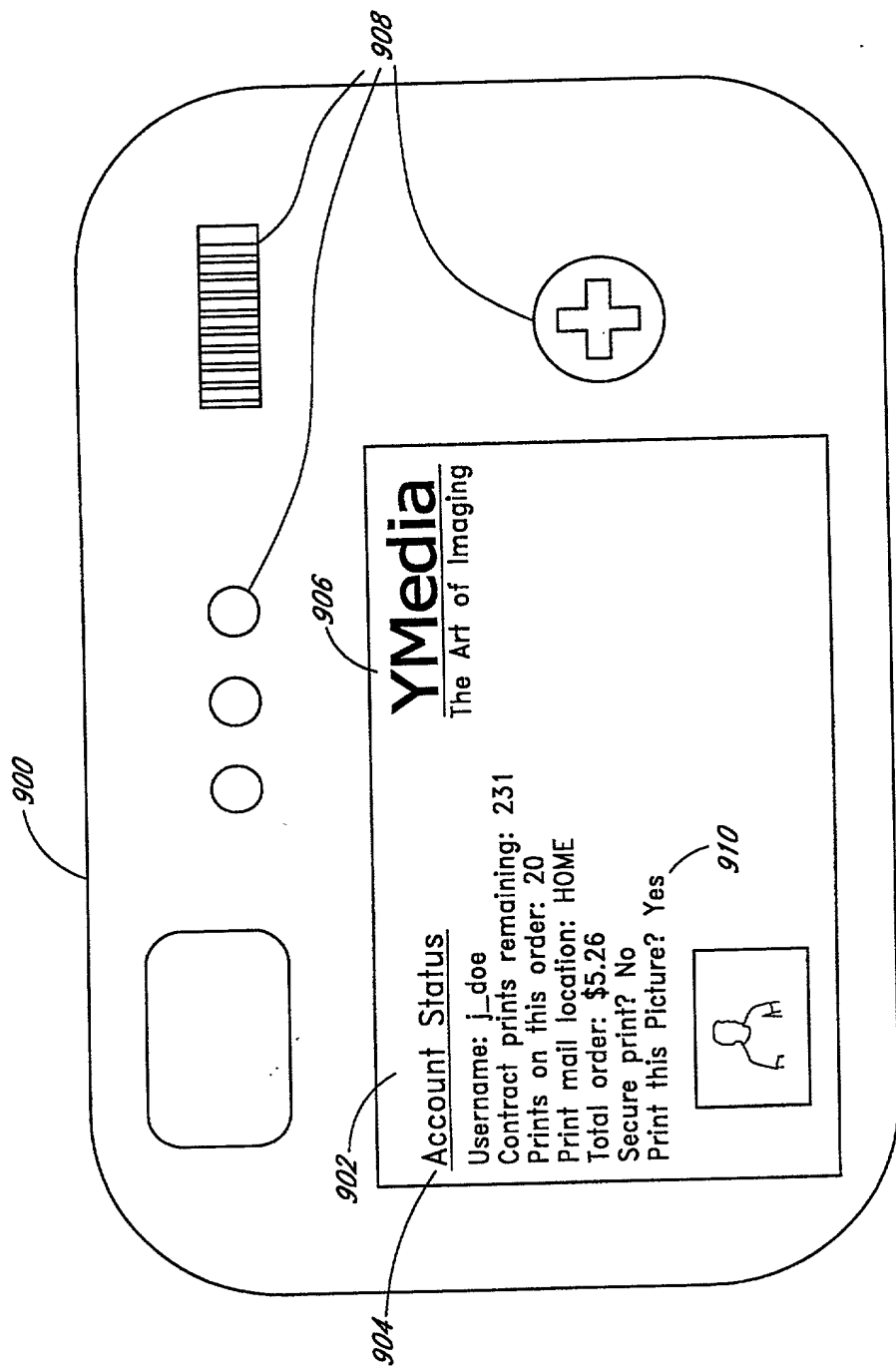


FIG. 9

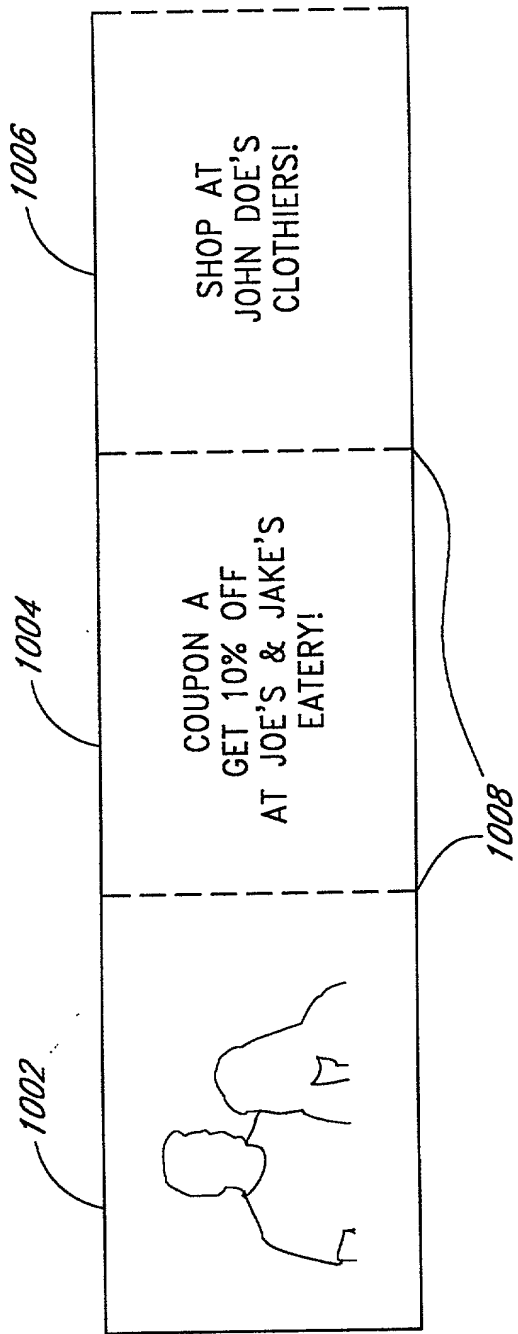


FIG. 10

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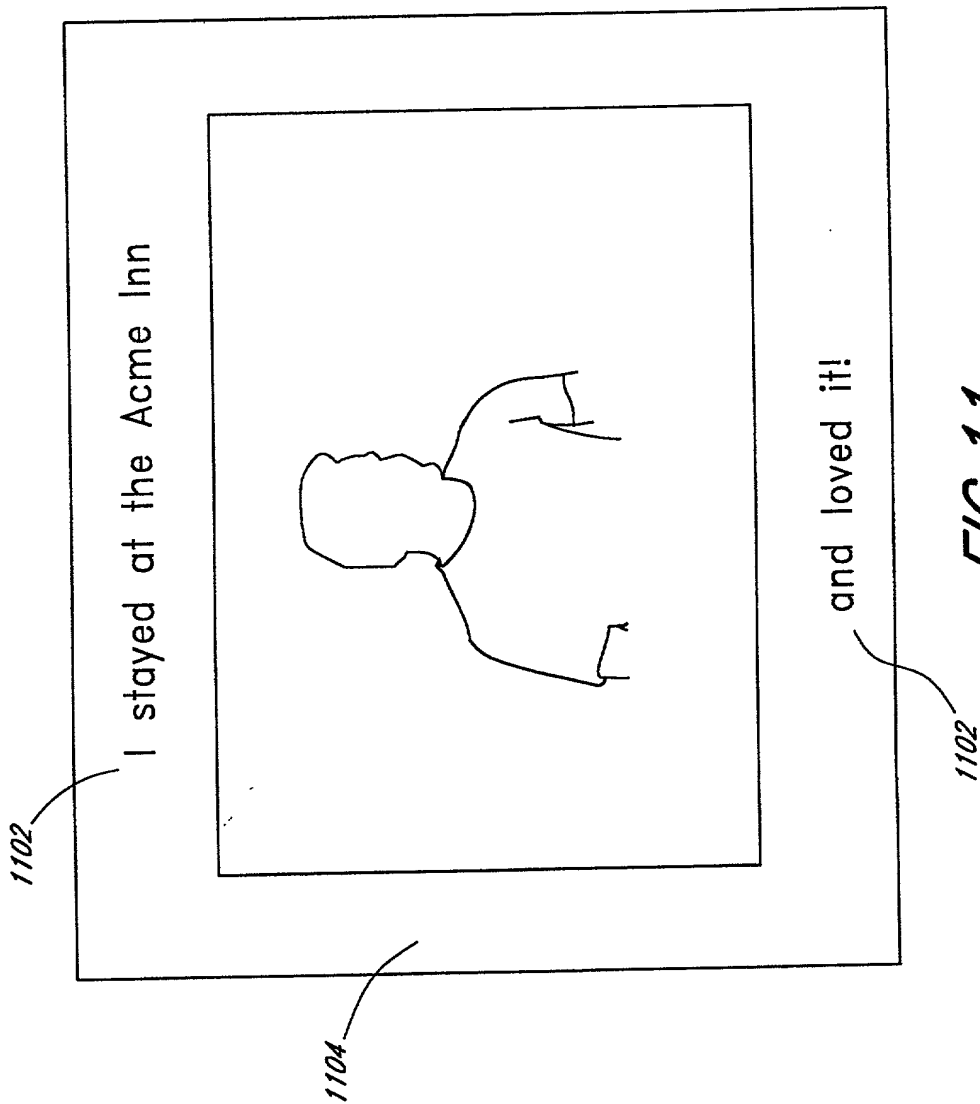


FIG. 11

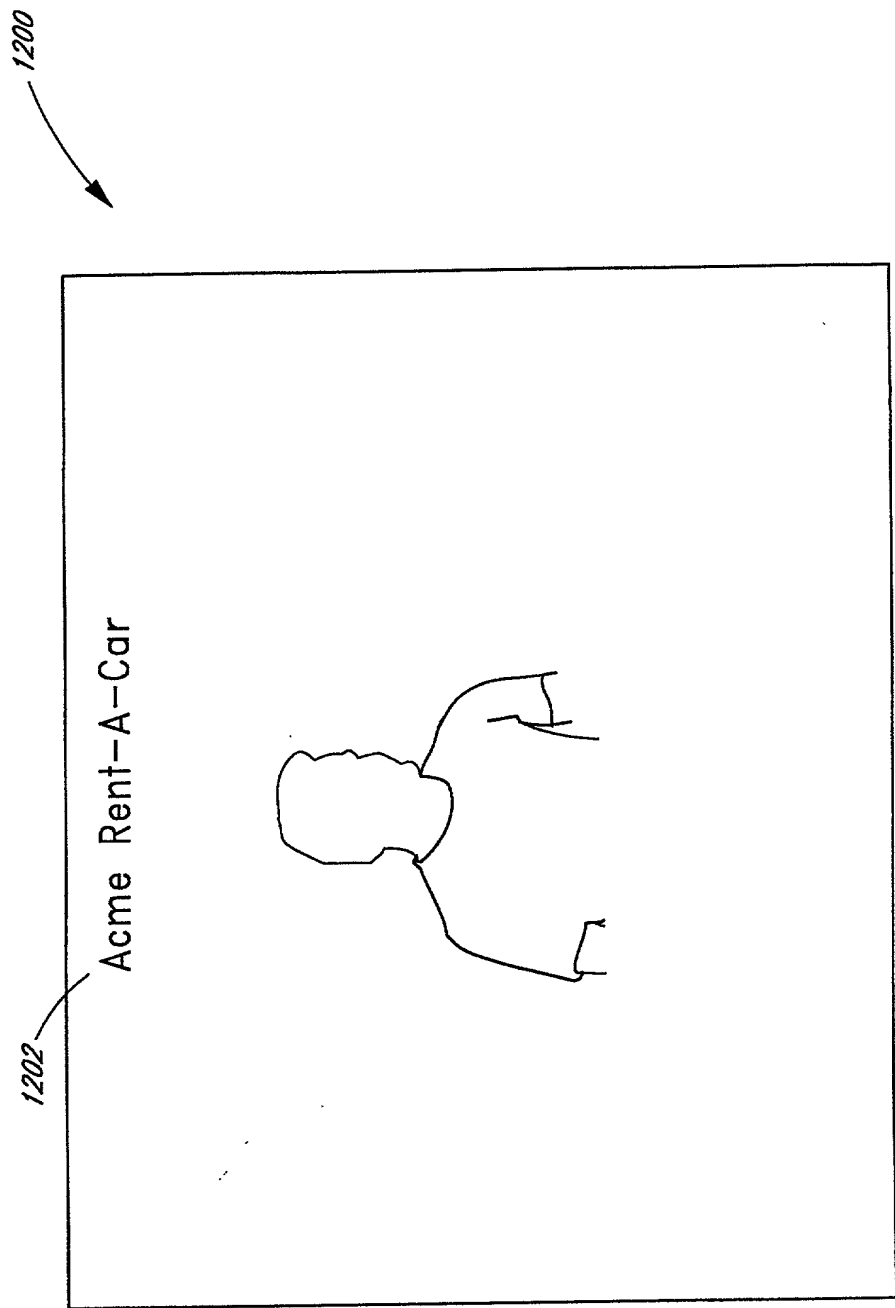


FIG. 12

**DECLARATION - USA PATENT APPLICATION**

As a below named inventor, I hereby declare that:

My residence, post office address and citizenship are as stated below next to my name;

I believe I am an original, first and joint inventor of the subject matter which is claimed and for which a patent is sought on the invention entitled METHODS AND SYSTEMS FOR MANAGING THE DISTRIBUTION OF IMAGE CAPTURE DEVICES, IMAGES, AND PRINTS; the specification of which is attached hereto;

I hereby state that I have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment referred to above;

I acknowledge the duty to disclose information which is material to patentability as defined in Title 37, Code of Federal Regulations, § 1.56;

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful, false statements may jeopardize the validity of the application or any patent issued thereon.

Full name of first inventor: **Mitchell Reifel**

Inventor's signature



Date 5-24-00

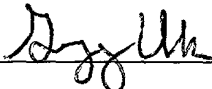
Residence: **2147 Iris Place, Costa Mesa, California 92627**

Citizenship: **United States**

Post Office Address: **Same as above.**

Full name of second inventor: **Gregory Urban**

Inventor's signature



Date 5-24-00

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## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant : Reifel, et al. )  
 App. No. : Unknown )  
 Filed : Herewith )  
 For : METHODS AND SYSTEMS FOR )  
 MANAGING THE DISTRIBUTION )  
 OF IMAGE CAPTURE DEVICES, )  
 IMAGES, AND PRINTS )  
 Examiner : Unknown



ESTABLISHMENT OF RIGHT OF ASSIGNEE TO TAKE ACTION  
AND  
REVOCATION AND POWER OF ATTORNEY

Assistant Commissioner for Patents  
 Washington, D.C. 20231

Dear Sir:

The undersigned is empowered to act on behalf of the assignee below (the "Assignee"). A true copy of the original Assignment of the above-captioned application from the inventor(s) to the Assignee is attached hereto. This Assignment represents the entire chain of title of this invention from the Inventor(s) to the Assignee.

I declare that all statements made herein are true, and that all statements made upon information and belief are believed to be true, and further, that these statements were made with the knowledge that willful, false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that willful, false statements may jeopardize the validity of the application, or any patent issuing thereon.

The undersigned hereby revokes any previous powers of attorney in the subject application, and hereby appoints the registrants of Knobbe, Martens, Olson & Bear, LLP, 620 Newport Center Drive, Sixteenth Floor, Newport Beach, California 92660, Telephone

009330 6864560

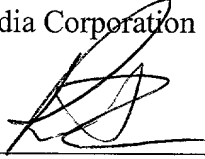
App. No. : Unknown  
Filed : Herewith

(949) 760-0404, **Customer No. 20,995**, as its attorneys with full power of substitution and revocation to prosecute this application and to transact all business in the U.S. Patent and Trademark Office connected herewith. This appointment is to be to the exclusion of the inventor(s) and his attorney(s) in accordance with the provisions of 37 C.F.R. § 3.71.

Please use **Customer No. 20,995** for all communications.

YMedia Corporation

Dated: 5.24.00

By:   
Ian Olsen

Title: President & CEO

Address: 23172 Plaza Pointe Drive, Suite 285  
Laguna Hills, CA 92653

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